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ABSTRACT

Strategies are offered to assist school districts with declining enrollments in dealing with surplus space and restricted funds. Teachers can be hired on the basis of midyear projections; also some teachers can be employed on a one-semester basis. Considerable savings can be obtained by renting out surplus classrooms and office space to other governmental agencies and to private firms. Districts are advised to utilize each school as fully as possible and dispose of all empty buildings. Early retirement programs assist older teachers to have economic security, save the schools money, and release jobs for younger teachers. Savings can be effected by decentralizing budget accounts. The accounts establish limits for services and products, making the local school unit accountable. (Author/MLP)

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FIVE WAYS TO SAVE MONEY WITH
DECLINING ENROLLMENTS

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School Districts with declining enrollments are in a difficult position. Having fewer students, they usually have a surplus of space and a shortage of money. The following strategies may assist such districts to more effectively deal with this problem.

1. Staff for Mid-Year Projections.

Most school districts staff on a ratio of teachers to students, e.g., 30/1 or 28/1 or 25/1. Instead of staffing for the beginning of the year student enrollments, it is wiser to staff for mid-year enrollment projections. In a declining enrollment district, there is a continuous loss of students throughout the year. The mid-year staffing ratio is usually the mean-ratio (average) for the year. Thus, the district would have a larger ratio during the first semester and a smaller ratio during the second semester. If the staffing ratio is to be 30/1, the staffing pattern would be based on the number of students projected to be enrolled in the school district by mid-year. This would possibly create a 32/1 ratio during the early months and a 28/1 ratio in the spring. The district's average for the year would be 30/1.

The practice of staffing on mid-year projections can save a considerable amount of money and develop an equitable staffing pattern among schools that lose students (the high schools) and those schools that do not lose students throughout the year (elementary schools). The alternative, to staff at beginning of the year enrollments, produces considerable "staffing fat" by the end of the year.

Some school districts have been able to take care of this problem by employing teachers on a one semester basis. They usually teach until the end of the first semester if the enrollment declines as projected. During the second semester, the school re-organizes and schedules students with a reduced staff to adjust for the loss of students.

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2. Rent Out Space.

School districts with declining enrollments usually have surplus classrooms and office space. Considerable savings can be obtained by renting out this space to other governmental agencies and to private firms. School facilities usually have important advantages -- good locations and adequate parking facilities. The practice also strengthens cooperation between the schools and other community organizations. Real estate firms will be happy to find clients for surplus school space. Especially worthwhile is renting out a portion of the district's administrative office -- a practice which brings in additional revenue and public goodwill.

3. Dispose of Surplus Buildings.

During a period of declining enrollments there is great temptation to keep buildings for auxillary uses: District media center, special education building, research and development center, etc. Although these are noble ideas with some merit, the results are disastrous. Buildings require staff, maintenance, and fixed expenses. It is better to sell these buildings and to house auxillary services in empty spaces within other buildings. The district media center can operate out of a high school. The research and development center can be housed in an elementary school building experiencing a steady decline. Special education classes can be placed in schools throughout the district. Districts with declining enrollments should utilize each school as fully as possible and dispose of all empty buildings. The savings are great and usually needed to maintain the normal educational program.

4. Adopt an Early Retirement Plan.

During a declining enrollment condition it is necessary to have older teachers retire early. The only other alternative is the termination of younger teachers. Early retirement programs assist older teachers to have economic security, save money, and release jobs for younger teachers. In an early retirement plan the

district pays a stipend to those who retire early. The difference between the salary of the older teacher and the younger teacher is saved. An excellent early retirement plan has been developed by the Palo Alto Unified School District, Palo Alto, California.

5. Decentralize Budget Accounts.

Each school unit can be made accountable by having control of budget accounts. The accounts establish limits for services and products and the school units learn to live within those limits. Accounts that can be decentralized are: supplies, equipment, substitutes, conferences, personnel, contract services, and vandalism replacement. Decentralization of budget accounts sometimes make it possible to reduce central office staff for further savings. The important thing is that it establishes accountability at the local school unit.

The problems associated with declining enrollment are tough problems. Especially difficult are the financial problems associated with it. It is important, therefore, that the district do all it can to conserve money and to save expenditures in every possible way. Unless strong financial control is exercised, all other problems associated with declining enrollments are intensified. With financial planning they are not as severe.

School districts wishing additional help with declining enrollment problems should write to Dr. M. Donald Thomas, Superintendent of Schools, Board of Education, 440 East First South, Salt Lake City, Utah 84111